FABLED SILVER GOLD CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2021

(UNAUDITED)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

The accompanying unaudited interim financial statements of Fabled Silver Gold Corp. for the three months ended March 31, 2021 have been prepared by the management of the Company and approved by the Company's Audit Committee and the Company's Board of Directors.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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Fabled Silver Gold Corp.

(Formerly Fabled Copper Corp.)

Condensed Consolidated Interim Statements of Financial Position (unaudited)

(Expressed in Canadian Dollars)

As at	Note(s)	March 31, 2021 $	December 31, 2020 $
ASSETS			
Current assets			
Cash		5,809,744	1,797,493
Amounts receivable		273,589	169,444
Prepaid expenses		104,964	121,264
		6,188,297	**2,088,201**
Non-current assets			
Equipment	3	67,396	-
Exploration and evaluation assets	4	835,967	716,093
		903,363	**716,093**
TOTAL ASSETS		**7,091,660**	**2,804,294**
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	5	179,129	186,374
Due to related party	7	84,682	77,253
Note payable		5,000	5,000
TOTAL LIABILITIES		**268,811**	**268,627**
SHAREHOLDERS' EQUITY			
Share capital	6	19,212,993	13,750,054
Reserves	6	332,115	628,758
Foreign currency translation reserve		(35,506)	8,722
Deficit		(12,686,753)	(11,851,867)
TOTAL SHAREHOLDERS' EQUITY		**6,822,849**	**2,535,667**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**7,091,660**	**2,804,294**

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These condensed consolidated interim financial statements were approved for issue by the Board of Directors and signed on its behalf by:

/s/ Michael Harrison Director **/s/ David W. Smalley Director**

(Expressed in Canadian Dollars)

		For the three months ended	
	Note(s)	March 31, 2021 $	March 31, 2020 $
Expenses			
Depreciation	3	198	-
Exploration and evaluation costs	4	415,702	-
Foreign exchange gain		(986)	-
General and administrative expenses		13,950	9,477
Investor relations and promotion		129,301	-
Management fees	7	30,000	-
Professional fees	7	94,019	5,500
Property investigation costs		-	21,949
Regulatory and filing fees		33,679	1,327
Share-based payments	6, 7	116,446	-
Travel		2,577	-
Loss for the period		**(834,886)**	**(38,253)**
Other comprehensive income			
Foreign currency translation differences for foreign operations		(44,228)	-
Total comprehensive loss		**(879,114)**	**(38,253)**
Basic and diluted loss per share for the period attributable to common shareholders ($ per common share)		**(0.01)**	**(0.00)**
Weighted average number of common shares outstanding - basic and diluted		**168,977,247**	**44,009,760**

(Expressed in Canadian Dollars)

		Share capital					
	Note(s)	Number of shares	Amount	Reserve	Foreign currency translation reserve	Deficit	Total
Balance at December 31, 2020		**140,051,903**	**13,750,054**	**628,758**	**8,722**	**(11,851,867)**	**2,535,667**
Shares issued for cash - exercise of warrants	6	54,138,500	5,049,850	-	-	-	**5,049,850**
Reclassification of grant-date fair value on exercise of warrants	6	-	413,089	(413,089)	-	-	**-**
Share-based payments	6	-	-	116,446	-	-	**116,446**
Other comprehensive income		-	-	-	(44,228)	-	**(44,228)**
Loss for the period		-	-	-	-	(834,886)	**(834,886)**
Balance at March 31, 2021		**194,190,403**	**19,212,993**	**332,115**	**(35,506)**	**(12,686,753)**	**6,822,849**
Balance at December 31, 2019		**44,009,760**	**10,132,311**	**143,285**	**-**	**(10,434,028)**	**(158,432)**
Loss for the period		-	-	-	-	(38,253)	**(38,253)**
Balance at March 31, 2020		**44,009,760**	**10,132,311**	**143,285**	**-**	**(10,472,281)**	**(196,685)**

Condensed Consolidated Interim Statements of Cash Flows (unaudited)
(Expressed in Canadian Dollars)

		For the three months ended	
	Note(s)	March 31, 2021 $	March 31, 2020 $
Cash flow provided from (used by)			
OPERATING ACTIVITIES			
Loss for the period		(834,886)	(38,253)
Adjustments for items not affecting cash:			
Depreciation	3, 4	3,664	-
Share-based payments	6	116,446	-
Change in non-cash working capital			
Amounts receivable		(110,512)	10,919
Prepaid expenses		15,538	-
Accounts payable and accrued liabilities		(4,776)	(69,118)
Due to related parties		7,429	5,000
Cash flow used in operating activities		**(807,097)**	**(91,452)**
INVESTING ACTIVITIES			
Purchase of equipment	3	(71,137)	-
Acquisition costs on exploration and evaluation assets	4	(153,383)	-
Cash flow used in investing activities		**(224,520)**	**-**
FINANCING ACTIVITIES			
Proceeds from share issuance	6	5,049,850	-
Cash flow from financing activities		**5,049,850**	**-**
Effects of exchange rate changes on cash		(5,982)	-
Increase (decrease) in cash		**4,012,251**	**(91,452)**
Cash, beginning of period		**1,797,493**	**121,325**
Cash, end of period		**5,809,744**	**29,873**
SUPPLEMENTAL CASH FLOW			
Reclassification of the fair value of warrants exercised	6	413,089	-
Cash paid during the period for interest		-	-
Cash paid during the period for income taxes		-	-

1. CORPORATE INFORMATION AND CONTINUANCE OF OPERATIONS

Fabled Silver Gold Corp. (the "Company") was incorporated by Certificate of Incorporation issued pursuant to the provisions of the British Columbia Business Corporations Act on December 15, 2014 and changed its name from Flying Monkey Capital Corp. to Fabled Copper Corp. on September 26, 2018 and from Fabled Copper Corp. to Fabled Silver Gold Corp. on October 19, 2020.

The Company is listed on the TSX Venture Exchange (the "Exchange") under the symbol "FCO", on the OTCQB under the symbol "FBSGF" since March 22, 2021, and on the Frankfurt Stock Exchange under the symbol "7NQ" since December 18, 2020. The Company is currently engaged in exploration of mineral properties and holds a combination of ownership and option interests in copper properties located in British Columbia, Canada and an option interest in Mexico as discussed below.

The head office and the registered address of the Company are 480 – 1500 West Georgia Street, Vancouver, BC V6G 2Z6, Canada.

These unaudited condensed consolidated interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As of March 31, 2021, the Company had working capital of $5,919,486 (December 31, 2020 – $1,819,574), had not advanced its mineral properties to commercial production and is not able to finance day-to-day activities through operations. The Company's continuation as a going concern is dependent upon the successful results from its mineral property exploration activities and its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. Management intends to funds operating costs over the next twelve months with cash and may through further equity financings. Management believes that the Company has sufficient working capital to meet its liabilities for the next twelve months.

COVID-19

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time.

The unaudited condensed consolidated interim financial statements of the Company for the three months ended March 31, 2021 were approved by the Board of Directors on May 31, 2021.

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING STANDARDS AND BASIS OF PREPARATION

a) Statement of compliance to International Financial Reporting Standards

These unaudited condensed consolidated interim financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These financial statements comply with International Accounting Standard 34, Interim Financial Reporting.

b) Basis of preparation

These unaudited condensed consolidated interim financial statements include the accounts of the Company and its subsidiaries. This interim financial report does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2020.

c) New accounting standards

There were no new or amended IFRS pronouncements effective January 1, 2021 that impacted these condensed consolidated interim financial statements.

3. EQUIPMENT

	Computer equipment $	Field equipment $	Vehicles $	Total $
Cost				
As at December 31, 2020	-	-	-	**-**
Additions	2,642	14,018	54,477	**71,137**
Effect of movements in exchange rates	-	(449)	324	**(125)**
As at March 31, 2021	**2,642**	**13,569**	**54,801**	**71,012**
Depreciation				
As at December 31, 2020	-	-	-	**-**
Charged for the period	(198)	(688)	(2,778)	**(3,664)**
Effect of movements in exchange rates	-	10	38	**48**
As at March 31, 2021	**(198)**	**(678)**	**(2,740)**	**(3,616)**
Net book value				
As at December 31, 2020	**-**	**-**	**-**	**-**
As at March 31, 2021	**2,444**	**12,891**	**52,061**	**67,396**

During the three months ended March 31, 2021, the Company charged $3,664 (March 31, 2020 – $nil) in depreciation of which $3,466 was recognized as exploration and evaluation costs in the statements of loss (Note 4) (March 31, 2020 – $nil).

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS

The Company is engaged in the business of exploration and development of mineral projects. The Company's primary mineral project is the Santa María Project (the "Santa María Property") located in Parral, Chihuahua, Mexico. The Company also has the rights to acquire and explore the "Muskwa Project" (currently comprised of the Neil Property, the Toro Property and the Bronson Property (note 12)) located in the Liard Mining Division in northern British Columbia.

Santa María Property

The changes in exploration and evaluation assets regarding the Santa Maria Property during the three months ended March 31, 2021 are as follows:

	$
Balance as at December 31, 2020	**716,093**
Acquisition costs	
- cash	153,383
Effect of movements in exchange rate	(33,509)
Balance as at March 31, 2021	**835,967**

On December 4, 2020, the Company entered into an option agreement with Golden Minerals Company ("Golden Minerals"). Pursuant to the option agreement, the Company will acquire a 100% interest in Santa María Property by making the following payments to Golden Minerals:

- December 4, 2020: US$500,000 cash (paid) and 1,000,000 common shares (issued with a fair value of $70,000)
- 12 months after the date of Acquisition: US$1,500,000
- 24 months after the date of Acquisition: US$2,000,000

In addition, the Company is also required to make the following option payments to the optionors of in Santa María Property:

- December 4, 2020: US$100,000 (Paid subsequent to March 31, 2021)
- On February 4, 2021 US$120,000 (Paid)
- On August 4, 2021 US$120,000
- On February 4, 2021 US$140,000

The Company will grant Golden Minerals a 1% net smelter royalty with respect to the Santa María Property upon exercise of the option under the option agreement and will assume from Golden Minerals the obligations in respect of an existing 2% net smelter royalty that exists over 3 of the 5 mineral claims that comprise the Santa María Property.

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

Santa María Property (continued)

During the three months ended March 31, 2021, the Company incurred the following exploration and evaluation costs on the Santa Maria Property:

	$
During the period ended March 31, 2021	
Depreciation (Note 3)	3,466
Drilling	264,542
Equipment rental	3,547
Field	74,612
Geological	26,082
Sample analysis	43,453
	415,702

Muskwa Project

The Company renamed and re-categorized its holdings in northern British Columbia to better identify them. Please see note 12 for an explanation of the same. The following section refers to the categorization of such holdings as at March 31, 2021.

Neil/Ram Creek Property

On January 23, 2017, the Company entered into an assignment agreement (the "Neil/Ram Creek Assignment Agreement") with an arm's length company (the "Assignor") to acquire all of the Assignor's right title and interest in an option agreement (the "Neil/Ram Creek Option Agreement") with a third-party company (the "Optionor"). Under the Neil/Ram Creek Option Agreement, the Company has an option to acquire an undivided 100% interest in three mineral claims located within the Omineca mining division, British Columbia, Canada (the "Neil/Ram Creek Property"). Pursuant to the Neil/Ram Creek Assignment Agreement, the Company acquired a 50% interest in the three mineral claims and issued 9,349,595 common shares of the Company valued at $2,500,000 to the Assignor during the year ended September 30, 2017.

The Neil/Ram Creek Option Agreement, dated August 17, 2016, requires the Company to pay $5,000,000 to acquire the remaining 50% interest by August 17, 2021 (the "2021 Neil/Ram Creek Payment") (See Note 12 "Subsequent Events" for further discussions). Commencing on March 3, 2018, the Company shall pay a non-refundable annual advance royalty payment of $50,000 to the Optionor on March 3, 2019. The Optionor retains a royalty of 2% of NSR.

In respect of the advance royalty payment of $50,000 due on March 3, 2019, the Company and the Optionor agreed to extend the date for payment to the earlier of December 31, 2019 and the date the Company completes a financing or series of financings for a total of not less than $1,500,000. Subsequently, the Company and the Optionor further extended the due date for the payment of such advance royalty payment and additional advance royalty payments of $50,000 due on March 3, 2020 and to become due on March 3, 2021 to March 31, 2021 (collectively the "$150,000 Neil/Ram Creek Property Outstanding Payment") in consideration of an additional payment of combined $50,000 to be made to the Optionor's of the Neil/Ram Creek, Ribbon and Toro properties (the "Additional Payment") on the date that the Company completes a financing for not less than $2,500,000 (see Note 12 "Subsequent Events" for further discussions). The Additional Payment was made during the year ended December 31, 2020 and recognized as finance costs in the statement of loss and comprehensive loss.

4. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

Muskwa Project (continued)

ChurchKey Property

On August 6, 2019 the Company, through its wholly owned subsidiary, Fabled Copper and Gold Corp. ("Fabled"), completed the acquisition of the ChurchKey Property. Pursuant to the option agreement, the Company is required to make the following payments to ChurchKey Mines Inc. ("ChurchKey") in order to exercise its option to acquire the ChurchKey Property:

- $50,000 (paid) in cash on August 6, 2019;
- $50,000 in cash on or before November 4, 2019 (paid);
- $100,000 in cash on or before August 6, 2020 (paid);
- $250,000 in cash on or before August 6, 2021;
- $300,000 in cash on or before August 6, 2022;
- $500,000 in cash on or before August 6, 2023; and
- $750,000 in cash on or before August 6, 2024.

The Company has granted the Vendor a 2% NSR with respect to the ChurchKey Property upon commencement of commercial production. In addition, the Company had the exclusive right to purchase 1% of the NSR at any time in the first four years following closing for $425,000 if it makes an annual payment of $25,000 on each of the 4 anniversaries of closing. The Company has not made such payments to date. If such option is not exercised, the Company will have the non-exclusive right to purchase that 1% of the NSR for the equivalent of 275,000 pounds of copper multiplied by the quoted London Metal Exchange price at the date of the purchase at any time up to the date of commencement of commercial production. The Company will also have the non-exclusive right to purchase the remaining 1% of the NSR for the equivalent of 400,000 pounds of copper multiplied by the quoted London Metal Exchange price at the date of the purchase at any time up to the date of commencement of commercial production. No shares issuable in connection with this agreement.

Ribbon Property

On March 4, 2017, the Company entered into an assignment agreement (the "Ribbon Assignment Agreement") with various arm's length individuals and companies (collectively the "Assignors") to acquire all of the Assignors' right title and interest in an option agreement (the "Ribbon Option Agreement") with a third-party company (the "Optionor"). Under the Ribbon Option Agreement, the Company acquired an undivided 100% interest in two mineral claims located within the Omineca mining division, British Columbia, Canada (the "Ribbon Property"). Pursuant to the Ribbon Assignment Agreement, the Company issued 5,048,781 common shares of the Company valued at $1,350,000 to the Assignors during the year ended September 30, 2017.

The Ribbon Option Agreement, dated March 3, 2017, requires the Company to pay $100,000 within 180 days of March 3, 2017 (paid) to acquire 100% interest in the Ribbon Property, such payment having been made during the year ended December 31, 2018. Commencing on March 3, 2018, the Company is required to pay an annual non-refundable annual advance royalty payment of $100,000 to the Optionor on March 31, 2019. The Optionor retains a royalty of 2% of NSR.

In respect of the advance royalty payment of $100,000 due on March 3, 2019, the Company and the Optionor agreed to extend the date for payment to the earlier of December 31, 2019 and the date the Company completes a financing or series of financings for a total of not less than $1,500,000.

4. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

Muskwa Project (continued)

Ribbon Property (continued)

Subsequently, the Company and the Optionor further extended the due date for the payment of such advance royalty payment and additional advance royalty payments of $100,000 due on March 3, 2020 and to become due on March 3, 2021 to March 31, 2021 (collectively the "$300,000 Ribbon Property Outstanding Payment") in consideration of the Additional Payment to be made to the Optionor's of the Neil/Ram Creek, Ribbon and Toro properties (the "Additional Payment") on the date that the Company completes a financing for not less than $2,500,000 (see Note 12 "Subsequent Events" for further discussions). The Additional Payment was made during the year ended December 31, 2020 and recognized as finance costs in the statement of loss and comprehensive loss.

Toro Property

On March 4, 2017, the Company entered into an assignment agreement (the "Toro Assignment Agreement") with two directors of the Company (the "Assignors") to acquire all of the Assignors' right title and interest in an option agreement (the "Toro Option Agreement") with a third-party company (the "Optionor"). Under the Toro Option Agreement, the Company has an option to acquire an undivided 100% interest in nine mineral claims located within the Omineca mining division, British Columbia, Canada (the "Toro Property"). Pursuant to the Toro Assignment Agreement, the Company issued 11,219,515 common shares of the Company valued at $3,000,000 to the Assignors during the year ended September 30, 2017.

The Toro Option Agreement, dated March 3, 2017, requires the Company to pay $100,000 within 180 days of March 3, 2017 (paid) to acquire an undivided 50% interest in the Toro Property (the "First Option"), such payment having been made in the year ended December 31, 2018. To acquire the remaining 50% interest (the "Second Option"), the Company shall pay $5,000,000 by March 3, 2022 (the 2022 Toro Payment") (see Note 12 "Subsequent Events" for further discussions). Commencing on March 3, 2018, the Company was required to pay a non-refundable annual advance royalty payment of $100,000 to the Optionor on March 3, 2019. The Optionor retains a royalty of 2% of Net Smelter Return ("NSR").

With respect to the advance royalty payment of $100,000 due on March 3, 2019, the Company and the Optionor agreed to extend the date for payment to the earlier of December 31, 2019 and the date the Company completes a financing or series of financings for a total of not less than $1,500,000. Subsequently, the Company and the Optionor further extended the date for the payment of such advance royalty payment and additional advance royalty payments of $100,000 due on March 3, 2020 and to become due on March 3, 2021 to March 31, 2021 (collectively the "$300,000 Toro Property Outstanding Payment") in consideration of the Additional Payment to be made to the Optionor's of the Neil/Ram Creek, Ribbon and Toro properties on the date that the Company completes a financing for not less than $2,500,000 (see Note 12 "Subsequent Events" for further discussions). The Additional Payment was made during the year ended December 31, 2020 and recognized as finance costs in the statement of loss and comprehensive loss.

(Expressed in Canadian Dollars)

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Company's accounts payable and accrued liabilities are broken down as follows:

	March 31, 2021 $	December 31, 2020 $
Trade payables	79,025	96,505
Accrued liabilities	100,104	89,869
	179,129	**186,374**

6. SHARE CAPITAL

Authorized share capital
Unlimited number of common shares without par value.

Issued share capital
At March 31, 2021, the Company had 194,190,403 (December 31, 2020 – 140,051,903) common shares issued and outstanding with a value of $19,212,993 (December 31, 2020 – $13,750,054).

During the three months ended March 31, 2021

- 46,858,500 warrants were exercised for proceeds of $4,685,850.

- 7,280,000 broker warrants (the "Broker Warrants") were exercised for proceeds of $364,000. Each Broker Warrant consists of one common share and one common share purchase warrant. Each warrant entitles its holder to purchase one additional common share at an exercise price of $0.10 at any time prior to December 4, 2022.

  In addition, the Company reclassified the grant date fair value of the exercised Broker Warrants of $413,089 from reserve to share capital.

No shares were issued, other than those issued upon exercise of the warrants and Broker Warrants, during the three months ended March 31, 2020.

Warrants
The changes in warrants during the three months ended March 31, 2021 are as follows

	Number outstanding	Weighted average exercise price ($)
Balance, beginning of period	**99,280,000**	**0.10**
Issued	7,280,000	0.10
Exercised	(54,138,500)	0.09
Balance, end of period	**52,421,500**	**0.10**

(Expressed in Canadian Dollars)

6. SHARE CAPITAL (CONTINUED)

Warrants (continued)

The following summarizes information about warrants outstanding as of March 31, 2021:

Expiry date	Exercise price ($)	Warrants outstanding	Estimated grant date fair value ($)	Weighted average remaining contractual life (in years)
December 4, 2022	0.10	52,421,500	-	1.68

Subsequent to March 31, 2021, 2,100,000 warrants were exercised for proceeds of $210,000.

Stock options

The Company maintains a Stock Option Plan (the "Plan") under which it is authorized to grant stock options to executive officers, directors, employees, and consultants. Under the Plan, the number of options that may be issued is limited to no more than 10% of the Company's issued and outstanding shares immediately prior to the grant. The exercise price of each stock option shall equal the market price of the Company's shares, less any applicable discount, as calculated on the date of grant. Options can be granted for a maximum term of 10 years and vest at the discretion of the Board of Directors.

Options to purchase common shares have been granted to directors, employees, consultants and advisors at exercise prices determined by reference to the market value of the Company's common shares on the date of the grant.

The changes in stock options during the three months ended March 31, 2021 are as follows:

	Number outstanding	Weighted average exercise price ($)
Balance, beginning of period	**5,353,729**	**0.10**
Granted	550,000	0.18
Cancelled	(116,662)	0.13
Balance, end of period	**5,787,067**	**0.11**

During the three months ended March 31, 2021

- On January 6, 2021, the Company granted 200,000 options with an exercise price of $0.10 to its consultants. The options are exercisable for a period of ten years. One-fourth vest on the date of grant and one-fourth will vest every six-months thereafter.

- On February 5, 2021, the Company granted 350,000 options with an exercise price $0.22 to Mars Investor Relations Corp. pursuant to the investor relations agreement entered on September 1, 2020, as amended. The options are exercisable until September 1, 2022 and vest as to 25% on the date of grant and thereafter 25% every three months until fully vested.

(Expressed in Canadian Dollars)

6. SHARE CAPITAL (CONTINUED)

Stock options (continued)

The estimated grant date fair value of the options granted during the three months ended March 31, 2021 was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

Number of options granted	550,000
Risk-free interest rate	0.34%
Expected annual volatility	155%
Expected life (in years)	4.64
Expected dividend yield	0%
Grant date fair value per option ($)	0.18
Share price at grant date ($)	0.22

During the three months ended March 31, 2021 and 2020, the Company recognized share-based payments expense of $116,446 and $nil, respectively.

The following summarizes information about stock options outstanding and exercisable as at March 31, 2021:

Expiry date	Exercise price ($)	Options outstanding	Options exercisable	Estimated grant date fair value ($)	Weighted average remaining contractual life (in years)
June 12, 2025	0.30	187,067	187,067	-	4.20
November 21, 2028	0.10	600,000	525,009	38,179	7.65
November 21, 2028	0.15	600,000	525,009	37,374	7.65
December 18, 2030	0.08	3,850,000	962,500	263,945	9.72
January 6, 2031	0.10	200,000	50,000	16,438	9.78
September 1, 2022	0.22	350,000	87,500	80,698	1.42
		5,787,067	**2,337,085**	**436,634**	**8.61**
Weighted average exercise price ($)		**0.11**	**0.13**		

7. RELATED PARTY TRANSACTIONS AND BALANCES

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. The Company has identified its directors and officers as its key management personnel. Other related parties to the Company include companies in which key management has control or significant influence. Key management personnel receive remuneration from the Company summarized as follow:

- During the three months ended March 31, 2021, the Company incurred $30,000 (March 31, 2020 – $nil) in management fees related to the Company's Chief Executive Officer.

- During the three months ended March 31, 2021, the Company incurred $31,500 (March 31, 2020 – $nil) in professional fees from an accounting firm owned whose incorporated partner is the Chief Financial Officer of the Company.

- During three months ended March 31, 2021, the Company incurred $30,920 (March 31, 2020 – $nil) in professional legal fees from a private company owned by a director of the Company.

- During three months ended March 31, 2021, the Company recognized $41,231 (March 31, 2020 – $nil) in share-based payments related to options granted to the Company's officers and directors.

The balances due to the Company's directors and officer were $84,682 as at March 31, 2021 (December 31, 2020 – $77,253).

Unless otherwise noted, all related party balances are unsecured, non-interest bearing with no fixed terms of repayment.

8. COMMITMENTS

Agora Internet Relations Corp. ("AGORA")
On October 2, 2020, the Company entered into a service agreement (the "Service Agreement") with AGORA for online advertising, marketing and branding services. Pursuant to the terms of the Service Agreement, the Company will pay AGORA a total fee of $75,000 plus applicable taxes, to be paid by way of common shares of the Company as follows:

- $15,000 plus tax on October 1, 2020 (issued)
- $15,000 plus tax on January 1, 2021;
- $15,000 plus tax on April 1, 2021;
- $15,000 plus tax on July 1, 2021; and
- $15,000 plus tax on September 30, 2021.

(Expressed in Canadian Dollars)

9. SEGMENTED INFORMATION

The Company operates in one single reportable segment, being the acquisition and exploration of mineral resource properties.

During the three months ended March 31, 2021, no revenue was generated from the reportable segment.

The Company's non-current assets are as follow:

	Canada $	Mexico $	Total $
As at March 31, 2021			
Non-current assets			
Equipment	2,444	64,952	67,396
Exploration and evaluation assets	-	835,967	835,967
As at December 31, 2020			
Non-current assets			
Exploration and evaluation assets	-	716,093	716,093

10. CAPITAL MANAGEMENT

The Company's objectives when managing capital, being its share capital, are to safeguard the Company's ability to continue as a going concern in order to pursue the acquisition and exploration of its exploration and evaluation assets and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

There were no changes to the Company policy for capital management during the three months ended March 31, 2021.

The Company is dependent on external financing to fund its activities. The capital structure of the Company currently consists of common shares, stock options and share purchase warrants. Changes in the equity accounts of the Company are disclosed in the statements of changes in shareholders' equity. The Company manages the capital structure and makes adjustments in light of changes in economic conditions and risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or acquire or dispose of assets. Any issuance of common shares requires approval of the Board of Directors.

The Company anticipates continuing to access equity markets to fund the acquisition and exploration of exploration and evaluation assets and to ensure the future growth of the business.

The Company is not subject to any externally imposed capital restrictions.

(Expressed in Canadian Dollars)

11. FINANCIAL INSTRUMENTS

Fair value

The carrying values of cash, amounts receivable, accounts payable and accrued liabilities, due to related party and note payable approximate their fair values due to the relatively short period to maturity of those financial instruments.

Financial instruments recorded at fair value on the consolidated statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy are as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
Level 3: Inputs that are not based on observable market data.

As at March 31, 2021, the financial instrument recorded at fair value on the consolidated statement of financial position is cash which is measured using Level 1 of the fair value hierarchy.

Set out below are the Company's financial assets and financial liabilities by category:

	March 31, 2021 $	FVTPL $	Amortized costs $	FVTOCI $
Financial assets:				
ASSETS				
Cash	5,809,744	5,809,744	-	-
Amounts receivable	273,589	-	273,589	-
Financial liabilities:				
LIABILITIES				
Accounts payable and accrued liabilities	179,129	-	179,129	-
Due to related party	84,682	-	84,682	-
Note payable	5,000	-	5,000	-

(Expressed in Canadian Dollars)

11. FINANCIAL INSTRUMENTS (CONTINUED)

Fair value (continued)

	December 31, 2020 $	FVTPL $	Amortized costs $	FVTOCI $
Financial assets:				
ASSETS				
Cash	1,797,493	1,797,493	-	-
Amounts receivable	169,444	-	169,444	-
Financial liabilities:				
LIABILITIES				
Accounts payable and accrued liabilities	186,374	-	186,374	-
Due to related party	77,253	-	77,253	-
Note payable	5,000	-	5,000	-

Financial risk management

Credit risk
Credit risk is such that a counterparty to a financial instrument will not discharge its obligations resulting in a financial loss to the Company. The Company has procedures in place to minimize its exposure to credit risk.

Company management evaluates credit risk on an ongoing basis including counterparty credit rating and activities related to trade and other receivables and other counterparty concentrations as measured by amount and percentage.

The primary sources of credit risk for the Company arise from cash and amounts receivable. The Company's maximum exposure to credit risk is minimal as cash is deposited with reputable financial institutions. Amounts receivable are due from government agencies.

Liquidity risk
Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due.

The Company's expected source of cash flow in the upcoming year will be through equity financings.

At March 31, 2021, the Company had accounts payable and accrued liabilities, due to related party and note payable of $179,129, $84,682 and $5,000, respectively. All of these amounts are current.

11. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management (continued)

Market risk
The significant market risks to which the Company is exposed are interest rate risk, currency risk, other price risk, and commodity price risk.

- Interest rate risk
  Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk relating to its note payable, loan payable and due to related party balances.

- Currency risk
  The Company is exposed to currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. The Company has not entered into any foreign currency contracts to mitigate this risk.

  The Company's cash, amounts receivable, accounts payable and accrued liabilities, due to related party note payable are held in Canadian Dollars ("CAD"), US Dollars ("USD") and Mexican Pesos ("MXN"); therefore, USD and MXN accounts are subject to fluctuation against the Canadian dollar.

  The Company had the following balances in foreign currency as at March 31, 2021:

	CA$	US$	MXN
Cash	5,436,700	1,795	6,041,582
Amounts receivable	57,317	-	1,861,892
Accounts payable and accrued liabilities	(57,427)	(538)	(1,971,976)
Due to related party	(84,682)	-	-
Note payable	(5,000)	-	-
	5,346,908	**1,257**	**7,593,564**
Rate to convert to $1.00 CAD	1.00	1.26	0.06
Equivalent to CAD	**5,346,908**	**1,583**	**466,032**

  Based on the above net exposures as at March 31, 2021, and assuming that all other variables remain constant, a 10% appreciation or depreciation of the CAD against the USD and MXN would increase/decrease comprehensive loss by $47,000.

- Other price risk
  The Company is exposed to price risk with respect to equity prices. Price risk as it relates to the Company is defined as the potential adverse impact on the Company's ability to raise financing due to movements in the individual equity prices or general movements in the level of the stock market`. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

12. SUBSEQUENT EVENTS

- On April 8, 2021, the Company entered into an amended and restated option agreement (the "Amended Option Agreement") with respect to the Neil/Ram Creek, Ribbon and Toro Properties. Pursuant to the Amended Agreement, the Company also has the right to acquire additional claims covering an additional 3,842 hectares, including 2 claims which are contiguous with and form part of the Neil Property, and 4 mineral claims located in the same geographical area and with the same geophysical profile as the Muskwa Project, and referred to as the Bronson Property, in consideration of the payment of the following amounts:

  (i) $200,000 on April 8, 2021 (paid);
  (ii) $500,000 on April 8, 2022;
  (iii) $750,000 on April 8, 2023;
  (iv) $1,000,000 on April 8, 2024; and
  (v) $2,000,000 on April 8, 2025.

  In addition, the Company is no longer required to make the followings payments:

  - the 2021 Neil/Ram Creek Payment;
  - the 2022 Toro Payment;
  - the $150,000 Neil/Ram Creek Property Outstanding Payment;
  - the $300,000 Ribbon Property Outstanding Payment; and
  - the $300,000 Toro Property Outstanding Payment.

  Following the above agreement, the Company has renamed its mineral title holdings in Northern BC to be collectively called the Muskwa Project. The Muskwa Project consists of three separate mineral claim blocks being the Neil Property (comprised of the previously referred to and contiguous Neil Ram/Creek Property, Ribbon Property and ChurchKey Property), the Toro Property and the Bronson Property.